

EXEMPT FUEL USE

Alabama does not allow an exemption for off-loading purposes. IFTA recognizes that some jurisdictions allow exemptions for fuel used for off-loading purposes. However, this exemption is not calculated on the IFTA return. Any refund for exempt fuel must be requested from the jurisdiction in which the tax was paid. The licensee must maintain adequate records to support the exemption claimed. Please refer to the IFTA website at www.iftach.org for fuel exemptions in each IFTA jurisdiction.

TAX EXEMPT MILES

IFTA recognizes that some jurisdictions have unique economic and geographic characteristics, which have given rise to various definitions of tax exempt miles. If you have questions concerning tax exempt miles, please contact the individual member jurisdictions. All jurisdictions require supporting documentation (i.e., trip permits) for all claims of tax exempt miles. Please refer to the IFTA website at www.iftach.org for mileage exemptions in each IFTA jurisdiction.

SHORT TERM LEASES

For motor vehicle leases of 29 days or less where the lessor is regularly engaged in the business of leasing, or renting motor vehicles without drivers, for compensation to licensees or other lessees, the lessor will be responsible for reporting and paying the fuel use tax unless the following two conditions are met:

1. The lessor has a written rental contract, which designates the lessee as the party responsible for reporting and paying the fuel use tax; and
2. The lessor has a copy of the lessee's IFTA fuel tax license, which is valid for the term of the rental.

LONG TERM LEASES

For motor vehicle leases of 30 days or more where the lessor is regularly engaged in the business of leasing, or renting motor vehicles without drivers for compensation to licensees or other lessees, the lessor may be deemed to be the licensee, and the lessor may be issued a license if an application has been properly filed and approved by the base jurisdiction.

IRP REGISTRATION

WHAT IS “IRP”?

The International Registration Plan (IRP) is a commercial vehicle registration agreement that was entered into among the states of the United States (excluding Alaska and Hawaii) and various provinces of Canada. This agreement allows the base jurisdiction to process commercial vehicle registrations and collect fees for other member jurisdictions. Total fees are based on the percentage of miles that are traveled or expected to be traveled by a registrant's fleet in each member jurisdiction. Only one license plate and one cab card are issued for each vehicle. All jurisdictions for which a vehicle is apportionally registered are listed on the vehicle's cab card. A complete listing of IRP member jurisdictions may be found on the IRP website at www.irponline.org.

All license fees that are collected by the base jurisdiction are divided among the other IRP jurisdictions according to:

1. Percentage of distance traveled in each jurisdiction;
2. Vehicle information, such as model year, purchase price, vehicle type; and
3. Maximum weight.

The IRP is specific in requiring all member jurisdictions to comply with the following three basic principles:

1. A single registration plate;
2. A single registration card (cab card); and
3. Allowing registrants to perform both interstate and intrastate vehicle movements.

IRP REGISTRATION DOES NOT:

- Waive or exempt a truck operator from obtaining operating authority from any jurisdiction in which the IRP vehicle travels; or
- Waive or exempt the payment of motor fuel taxes in any jurisdiction; or
- Permit exceeding the maximum length, width, height, or axle limitations; or
- Permit the violation of any bridge law.

HOW IRP WORKS

Under the IRP, a registrant is required to file a license application with the base jurisdiction. The base jurisdiction, in turn, issues one cab card and one license plate for each vehicle. The single IRP plate and cab card are the only registration credentials required to operate interstate and intrastate in member jurisdictions. The cab card lists the weights for each jurisdiction to which the operator's registration fees have been apportioned.